UNITED NATIONS

General Assembly

FORTY-EIGHTH SESSION

Official Records

FIFTH COMMITTEE
29th meeting
held on
Saturday, 4 December 1993
at 10 a.m.
New York

SUMMARY RECORD OF THE 29th MEETING

Chairman: Mr. HADID (Algeria)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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Distr. GENERAL
A/C.5/48/SR.29
2 February 1994

ORIGINAL: ENGLISH

93-82855 (E)

The meeting was called to order at 10.25 a.m.

AGENDA ITEM 125: JOINT INSPECTION UNIT (continued)

Draft resolution A/C.5/48/L.3

1. Mrs. EMERSON (Portugal), Vice-Chairman, introducing draft resolution A/C.5/48/L.3, announced several revisions to the draft resolution. First, in paragraph 1, the words "and its preliminary work programme for 1994-1995 and beyond" should be deleted. Second, at the end of paragraph 3 the words "and requests that it continue its efforts to comply with the recommendations contained in the report of ACABQ (A/47/755) and that it report to the General Assembly" should be added. Third, in paragraph 11, the words "to submit to the General Assembly at its fiftieth session" should be replaced by "to include in the report called for in its decision 47/454 and to be submitted to the General Assembly at its forty-ninth session". Lastly, paragraph 16 should be revised to read "Notes the preliminary work programme ...".

2. She drew attention to the provisions relating to the evaluation function of JIU, implementation of JIU recommendations, coordination and the possibility of extrabudgetary resources for the Unit. She recommended adoption of the draft resolution without a vote.

3. Draft resolution A/C.5/48/L.3, as orally revised, was adopted without a vote.

4. Mr. SPAANS (Netherlands) said that his delegation supported the adoption of the draft resolution, which struck a balance between recognition of improvements in the work of the Joint Inspection Unit and constructive criticism. His delegation regretted that a JIU official had become involved in the drafting of the text. It was more appropriate for decisions to be taken exclusively on the basis of the views of Member States.

5. Mr. CLAVIJO (Colombia) supported the view of the representative of the Netherlands regarding the drafting of the text in that it helped to clarify the legal framework for the Committee's work. He welcomed the revisions to the draft resolution, since it was important to consider the cost-benefit aspects of JIU reports within the context of the improvement of oversight organs.

6. Mr. FRANCIS (Australia) and Mr. MADDENS (Belgium) agreed that Secretariat officials should not be involved in negotiations on draft resolutions.

7. Mr. MICHALSKI (United States of America) said that the reaffirmation in the sixth preambular paragraph of the draft resolution of the JIU statute should not be interpreted as meaning that the work of the Unit was more important than that of the Board of Auditors. With regard to the second part of the same paragraph, his delegation saw the proposed Office of the Inspector General as relating to that same function.

8. Mrs. GOICOCHEA (Cuba) said that JIU played an important role as an external evaluation organ and must be provided with the resources it needed, particularly in terms of up-to-date office technology. Her delegation looked forward to the report on various aspects of personnel questions to be submitted by the Unit at the forty-ninth session.

9. Mr. ABRASZEWSKI (Joint Inspection Unit) drew attention to an error in footnote 3 to the draft resolution. JIU would make every effort to fulfil the tasks entrusted to it by the draft resolution.

AGENDA ITEM 128: UNITED NATIONS COMMON SYSTEM (continued) (A/C.5/48/18 and Corr.1)

Draft resolution A/C.5/48/L.5

10. Mr. FRANCIS (Australia), introducing draft resolution A/C.5/48/L.5, said that, in the third preambular paragraph of part I, the word "resumption" should be replaced by "restarting". He drew attention to the principal elements of the resolution: in the preamble to part I, participation by staff associations in the work of ICSC; in part II B, the net remuneration margin; in part II C, Professional salary scales; in part II D, expatriate entitlements; in part II E, language incentives; in part II F, working hours; in part II G, post adjustment issues; in part III, the General Service salary survey methodology; in part IV, staff assessment and the Tax Equalization Fund; in part V, personnel policy considerations; and in part VI, decisions of the Administrative Tribunals.

11. Draft resolution A/C.5/48/L.5, as orally revised, was adopted without a vote.

12. Mrs. GOICOCHEA (Cuba) said that Cuba took note, in particular, of section D of the resolution on expatriate entitlements, and of section E on the language incentive scheme. It looked forward to receiving the Commission's proposals, particularly on expatriate entitlements.

13. Mr. MERIFIELD (Canada), referring to the statement of programme budget implications of the ICSC decisions and recommendations (A/C.5/48/18 and Corr.1) noted that the draft resolution would have a considerable impact on all ongoing peace-keeping operations. It would therefore be useful to have information on its effect on the salaries and allowances paid in the General Service and the Professional and higher categories under the support account for peace-keeping operations. Any changes which might affect the budgets of individual peace-keeping operations should also be reported. Although expenditures under the support account were calculated differently from expenditures for technical assistance projects, the provision of information on expenditures from all sources, including extrabudgetary funds, would be consistent with the principles of transparency and comparability in reporting.

14. Mr. BEL HADJ AMOR (Chairman of the International Civil Service Commission) noted that the resolutions adopted in the past three years had been crucial to the work of the Commission and reflected the trust that existed between the

(Mr. Bel Hadj Amor)

Commission and Member States. The work of the Commission would be guided by the views expressed during both the formal meetings and the informal consultations of the Fifth Committee at the current session.

AGENDA ITEM 129: UNITED NATIONS PENSION SYSTEM (continued)

Draft resolution A/C.5/48/L.4

15. Mr. FRANCIS (Australia) introduced the draft resolution. He drew attention to section I on pensionable remuneration of staff in the General Service and related categories, and, in particular, to paragraph 1 on the income replacement approach; paragraph 2 on measures to eliminate the income inversion anomaly; paragraph 3 concerning the interim adjustment procedure; and paragraphs 4, 5 and 6 concerning the determination of the common staff assessment scale and its recommendation to the General Assembly at its fifty-first session. Paragraph 9 concerned amendments to the Regulations of the United Nations Joint Staff Pension Fund as set out in annex I of the resolution. In section II on actuarial matters, paragraph 2 took note of the observations of the Panel of External Auditors, the Pension Board and the Committee of Actuaries and of the views of Member States on the request made by the General Assembly in resolution 47/203. Section III on administrative expenses approved expenses chargeable directly to the Fund and an increase in expenses for the administration of the Fund (para. 1). It also authorized the Pension Board to supplement the voluntary contributions to the Emergency Fund for the biennium 1994-1995 by an amount not exceeding $200,000 (par.. 2).

16. Draft resolution A/C.5/48/L.4 was adopted.

AGENDA ITEM 120: FINANCIAL REPORTS AND AUDITED FINANCIAL STATEMENTS, AND REPORTS OF THE BOARD OF AUDITORS (continued)

Draft resolution A/C.5/48/L.7

17. Mr. OSELLA (Argentina), Vice-Chairman, introduced the four-part draft resolution. Section A on the financial reports of the United Nations Institute for Training and Research and the voluntary funds administered by the United Nations High Commissioner for Refugees accepted the financial reports and audited financial statements regarding those organizations and the concise summary of the principal findings of the Board of Auditors (paras. 2 and 3). It also approved all the recommendations and conclusions of the Board of Auditors (para. 5). Section B on the recommendations of the Board of Auditors noted with deep concern that, with a few commendable exceptions, most United Nations organizations and programmes had taken no steps to address the request contained in paragraphs 9 and 10 of General Assembly resolution 47/211 (para. 3). He drew attention to paragraph 4, which urged a number of United Nations organizations and funds to comply fully with paragraphs 9 and 10 of resolution 47/211. Section C on accounting standards took note, in paragraph 2, of the United Nations system accounting standards, and in paragraph 3, of the organizations' plans for the application and development of those standards. Section D on the mandate of the Board of Auditors invited the Board to report to the General

(Mr. Osella, Argentina)

Assembly at its forty-ninth session on the implications of extending the term of office of its members to four or six years. He hoped that the consensus text would be adopted without a vote.

18. Draft resolution A/C.5/48/L.7 was adopted.

19. Mr. SPAANS (Netherlands) said that his delegation attached great importance to section B, paragraph 1, of the draft resolution, which recognized the high-quality performance of the Board of Auditors. Like many other delegations, however, it was concerned about the persistent lack of follow-up of the Board's recommendations. In that connection, it welcomed a number of initiatives proposed by other delegations under another agenda item. The Fifth Committee should play a more decisive role in ensuring follow-up not only within the context of agenda item 120 but also of its decisions regarding peace-keeping operations and their continued financing.

20. Mr. CLAVIJO (Colombia) agreed that the Board of Auditors played an important role and expressed the hope that the current debates on the various oversight bodies of the United Nations system would result in a consensus to reaffirm and strengthen that role. His delegation noted that the draft resolution did not contain measures to be taken by the General Assembly in order to recover the misappropriated funds described in document A/48/572. It hoped that that important question would be addressed during the current session of the General Assembly, under agenda item 120 or another item.

21. Mr. DAMICO (Brazil) agreed with the representatives of the Netherlands and Colombia on the crucial role played by the Board of Auditors. His delegation was extremely concerned about the failure to implement the Board's recommendations and would associate itself fully with any measures designed to correct that situation.

22. Mr. MICHALSKI (United States of America) agreed that the problem lay not in the work of the Board of Auditors, which was commendable, but in the lack of follow-up. The Board did not provide the kind of external audit coverage required by Member States; indeed, its very existence implied to Member States and the general public that all was well and that no strict oversight of the Organization's finances or programmes was necessary. He expressed concern about insufficient funding of the external audit of peace-keeping operations, an issue his delegation had raised on numerous occasions. It was highly unlikely, for example, that an expenditure of $25,000 was sufficient to audit the expenses of a $600 million, six-month peace-keeping operation. Member States' concerns about the peace-keeping operations were not being taken sufficiently into account. The statement by the Chairman of the Board of Auditors indicated that the Board was attempting to deal with that problem. His delegation looked forward to examining the peace-keeping budgets, which it expected to include a significantly higher provision for external audits.

23. Mr. RAE (India) paid tribute to the excellent work done by the Board of Auditors. The Board's role should be strengthened and perhaps expanded to cover peace-keeping operations as well. The problems stemmed from the lack of follow-

(Mr. Rae, India)

up of the Board's recommendations and the fact that the Fifth Committee did not have the means to ensure their implementation.

The meeting rose at 11.45 a.m.